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UNCLAS SECTION 01 OF 03 PANAMA 002038

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E.O. 12958: N/A

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SUBJECT: PANAMA: UNHCR - AID EFFORTS UPSTAGING GOVERNMENT  
ON PANAMA'S FAR FRONTIER?

REF: PANAMA 001711

Summary

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1. (SBU) UNHCR's unwavering support of refugee rights and its aid to Colombian civil-war refugees has given it great status and respect in Puerto Obaldia, a Caribbean town 200 miles from Panama's capital on the coastal border of Colombia. However, the distance from Panama City seems much greater as a result of its small size and geographical and political isolation. PolOff traveled to the town of 500 persons (60% of whom are of Colombian origin) with UNHCR representative Gonzalo Vargas Llosa and representatives of "Fundacion Los Pueblos del Bosque", a Panamanian NGO that administers the UNHCR aid, to demonstrate U.S. concern about refugee issues in Panama and to observe UNHCR/NGO sustainable development projects. Although the flow of refugees into Panama from Colombia slowed during the last seven years, UNHCR aid continues in the form of small business loans to help fully integrate the Colombians into Panamanian society. Former Panamanian MFA Deputy Nivia Rossana Castrellon, accompanying the group, visited the region for the first time. End summary.

Panama or Colombia?

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2. (SBU) Throughout his fast-paced tour, the local population warmly greeted Vargas as a returning hero and accorded him the respect usually reserved for a high ranking government official. The Government of Panama (GOP) lacks presence in the remote area and the UNHCR has filled the vacuum, gaining credibility through its aid programs and unwavering defense of refugee rights. Politically, Puerto Obaldia may be in Panama but geographically it might as well be in Colombia. The majority of the inhabitants are Colombians and watch Colombian satellite TV. Even much of the music played in the town's bar is Colombian. The Panamanian National Police (PNP) has a barracks and maintains four check points with machine guns and sand bags around the edge of the town to protect it from FARC or UAC incursions. The picturesque Colombian village of Sapzurro is just a short boat ride away, however. Former Deputy Foreign Minister Castrellon spoke about the difficulties the Government of Panama has in maintaining its influence in the region.

.....where everyone knows your name

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3. (SBU) Describing Puerto Obaldia as geographically isolated is an understatement. Part of the Kuna Yala Comarca on Panama's Caribbean coast, the area has no roads and can only be reached by airplane or boat. Many small homes have dirt floors. Electricity is available for several hours a day from portable gas powered generators. Panamanian National Police (PNP) and Immigration officials quickly notice outsiders, ask them to explain their presence, and present their documents. The town's several paved streets and sidewalks are clean and free of litter, cars and trucks. Dogs, chickens, and little children roam the streets. The Caribbean Sea surrounds Puerto Obaldia on three sides and it is separated from Colombia by low lying rugged coastal mountains. Although the town is located in the Kuna Yala Comarca (an indigenous reservation) most of the population is Afro-Panamanian.

Identities and nationalities questionable

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4. (SBU) Refugees fleeing Colombia's civil war began to arrive in Puerto Obaldia in 1997. The exact number of Colombians who entered Panama's remote Darien border region is believed to be around 800. Some "internal" refugees came from La Bonga, a remote Panamanian village that historically had a mixed population of Colombians and Panamanians. La Bonga was known as a village where the Revolutionary Armed Forces of Colombia (FARC) guerrillas rested and staged operations. Because of its FARC connections, the paramilitary Autodefensas Unidas de Colombia (AUC) attacked La Bonga in 1997 killing five people. The remaining villagers fled to Puerto Obaldia.

15. (SBU) Following the attacks at La Bonga, the Government of Panama (GOP) granted the Colombians temporary protection for three months. Today, eight years later, 120 Colombians remain under protective status in Puerto Obaldia, unable to work legally or travel outside the village. UNHCR and Embassy have been encouraging Panama to resolve the status of Colombian refugees (see REFTEL). A large problem for Colombian and Panamanian authorities is identifying who is a Panamanian and who is a Colombian or possibly an Ecuadorian. Many people born in remote villages have no birth certificates or national identification cards from either Panama or Colombia. A Colombian consular officer maintains an office in Puerto Obaldia and he assists Colombians in obtaining documents such as birth certificates and cédulas (national identification cards) to prove their identity. As part of the UNHCR visit, the NGO representatives delivered Panamanian refugee identification cards to 24 Colombians who had been living in Puerto Obaldia since 1997. This group had recently documented their identity as Colombians and their status as refugees with the help of the consular officer. A group of 42 Panamanians who also had never been documented as citizens before received their cédulas from the NGO representatives.

16. (SBU) Many of the Colombians refugees now have wives and children in Panama. Vargas went from house to house advising them to register their children with the Panamanian government. The case of two six-year old twin brothers show the difficulties faced by many refugee families in this town. The boys were born in La Bonga to young parents who are alleged to be FARC members. No one has seen or heard of their parents for several years. Their Colombian grandmother is raising them but has no documents proving they are Panamanian. The NGO is trying to get permission to enroll the boys in school even though they are not documented Panamanians.

17. (SBU) A variety of facilities in the village have received aid from the UNHCR, NGOs and other organizations. The main street houses a small library funded by the German embassy in Panama and contains several bookshelves with novels, history and geography books, and health information. A small theater (Cine de la Gente, approximately 10 x 20 feet) filled with folding chairs is located in the same building as a two-table restaurant near the library. The theater plays to full crowds and shows current DVDs three times a day on a 27" inch TV, charging twenty-five cents for children and fifty cents for adults. Sodas and food can be ordered from the restaurant and eaten while you enjoy your movie.

#### City Hall

18. (SBU) The UNHCR contingent spent all day and part of the evening visiting various people in the village and receiving updates on the impact of their programs. The corregidora (who functions as magistrate and mayor), Senora Luna, provided a long report on all recent events in the town from her office that displays both a Colombian and Panamanian flag. The director of the local school sat in on the report since most of the conversation dealt with school issues. Both the corregidora and the school director were concerned about five children in the village that have been missing school to work on their family's plot of land located near their former village of La Bonga. Other families in the village also return to plant beans, rice, and corn near La Bonga. The corregidora and the school director both thanked the UNHCR for the support provided to the school and other projects throughout the town. The UNHCR is not shy about advertising - all items purchased with the assistance of UNHCR are labeled with a sticker in both English and Spanish.

19. (SBU) The village school, built with UNHCR assistance, has a total of 179 students in grades one to seven and five teachers. The students in grades one to five attend classes in the morning while the sixth and seventh graders attend school in the afternoon. Students attending both sessions begin their school day with a meal served in the small school cafeteria before beginning classes in one of the five classrooms. Some of the students come from the islands located off the village's coast and will spend the school week with families in the village. The school director believes a boarding facility would encourage more students from the coastal islands to attend the school. The school is flanked by banana trees and a pen containing several pigs, some of which will be slaughtered to provide food for a festival later this year.

#### Small Loans yield Big Results

10. (SBU) In 1998, the UNHCR began providing health care, food, clothing, and rent subsidies to the refugee in Puerto Obaldia. In July 2005, UNHCR changed their strategy from providing basic subsistence to one of making small loans for

the refugees to start small businesses. In Puerto Obaldia, five small family run stores have received loans of \$350 to purchase refrigerators or freezers. The stores then begin to stock and sell small quantities of fresh meat, poultry, ice, soda, beer as well as non-perishable products to their neighbors and become economically self sufficient. Two families have started small restaurants using the small loan program from UNHCR. All borrowers are in the process of repaying the loans and some are requesting additional loans for other purchases. Four other families are using the same loan program to raise chickens, turkeys, and pigs as a business that makes them self sufficient.

Not quite Paradise

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11. (SBU) While Puerto Obaldia may appear to be a tranquil Caribbean village, the problems are real and similar to the difficulties that exist throughout the country. The town has a dedicated doctor but his clinic and equipment are clearly outdated and he cannot perform even minor surgeries. There is no dentist. Any equipment or supplies needed in the town arrive by airplane or boat from Panama City or Colon which is becoming increasingly expensive as the cost of gasoline rises. The young people leave the town for jobs in Panama City or Colombia. The Colombian refugees who make up the majority of the population, however, will not return to their homeland despite the currently lower level of activity by Colombian guerrilla groups. Although there have been no attacks in the area by Colombian guerrillas for three years, the fear remains. The Colombian refugees would rather live under the harsh conditions in Puerto Obaldia than risk losing their lives if they return to Colombia. Also, Vargas and Castellon describe the living conditions in Puerto Obaldia as much better than those found in other Panamanian refugee communities in Jaque and Alto Tuira.

Whose country is it anyway?

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12. (SBU) Comment: The work of the UNHCR in this far corner of Panama is certainly commendable. The ubiquitous presence of UNHCR posters announcing World Refugee Day and other events creates a sense that the UNHCR is the shadow government in the town of Puerto Obaldia. While sovereignty is a word that appears in many places in Panama, this border region is clearly at the edge of the influence of the GOP. The border regions of Panama are vulnerable to many problems - drug trafficking, human smuggling, guerrilla activity - and the absence of a strong government presence makes these more likely. Maintaining control of borders and government presence is an important part of sovereignty. The Colombians have settled in Puerto Obaldia and other Colombian border towns are now part of Panama although the GOP has not yet decided to treat them as such. If the GOP were to assume the role of the UNHCR in providing assistance in the border area, it would be a significant first step in improving ties with this isolated part of the country. End comment.

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